

City of Sunnyvale

2015 Housing Element Update



Stakeholder Meeting October 9, 2013

Agenda



- Background
- Sunnyvale Housing Needs
- Regional Housing Needs Allocation (RHNA)
- Public Survey Input
- Roundtable Discussion
- Next Steps

BACKGROUND

- Meeting Goals
- Housing Jargon
- Income Level Definitions
- Housing Element Overview
- Benefits of Approval

Meeting Goals

- Discuss unmet needs with housing providers and stakeholders
- Identify ways to address unmet needs
- Identify new trends or constraints
- Discuss available sites and City incentives for affordable housing



Housing Jargon

- **HCD:** California Department of Housing and Community Development
- **Affordable Housing Cost:** No more than 30% of gross monthly household income for housing costs (rent + utilities) or 35% for homeowners (mortgage, taxes, insurance).
- **AMI:** Area Median Income (County)
- **HUD:** U.S. Dept. of Housing and Urban Development

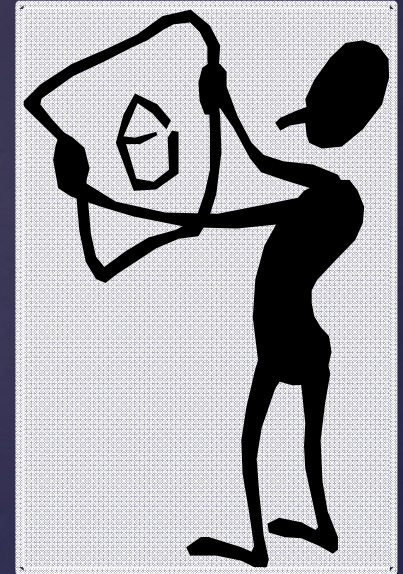
Income Level Definitions

Income Level	Income Range (% of AMI)	2013 State Income Limits* (Maximum)
Extremely Low	0 – 30% AMI	\$31,650
Very Low	31 – 50% AMI	\$53,050
Low	51 – 80% AMI	\$84,900
Moderate	81 – 120% AMI	\$126,600

** Limits Shown for a Household Size of Four*

Housing Element Overview

- Part of City's General Plan
- 4 Main Parts:
 - Housing Needs Assessment
 - Evaluation of Constraints
 - Adequate Sites Inventory
 - Strategy to Address Needs
- Updated every 8 years
 - *New: Streamlined Update Process!*
- HCD reviews and certifies compliance
- ✓ Sunnyvale's prior Housing Elements all certified by HCD



Benefits of HCD Approval

- Presumption of validity if challenged in court
- If invalid, courts may suspend City's authority to issue building permits / approve projects
- Eligibility for state & regional funding for transportation, housing, infrastructure
- Not subject to "cumulative RHNA"
- Streamlined Update: HCD only reviews changes, not entire document



SUNNYVALE HOUSING NEEDS

- Population Growth & Demographics
- Groups with Special Housing Needs
- Housing Stock & Trends
- Housing Costs & Affordability

Growth & Demographics

Modest population growth between 2000-2010

- 2000-2010: 6% increase to 140,081
- 2013 Population: 145,973

Age Characteristics

- 66% are Working-Age Adults Aged 18-64
- 11.2% Seniors (65+)
- Senior Population Grows Over Planning Period

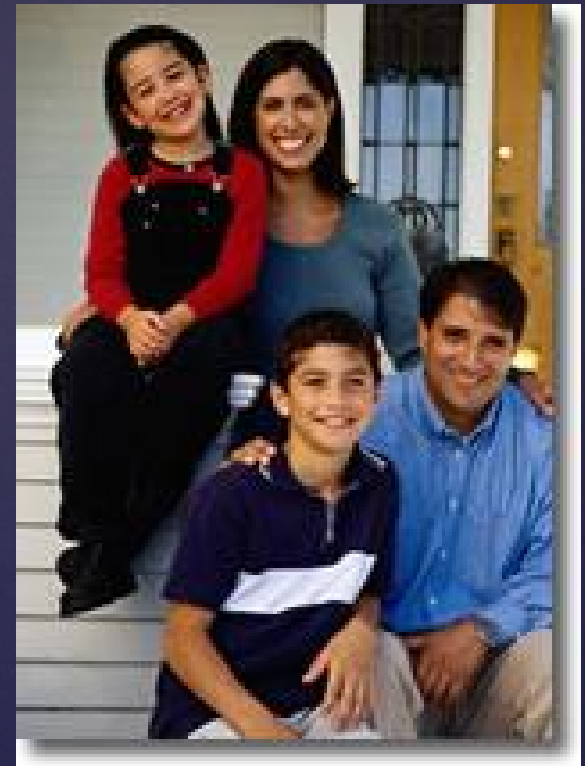
Demographics

Household Composition

- Only 33% are families with children
- 25% are single-person households

Diverse Population

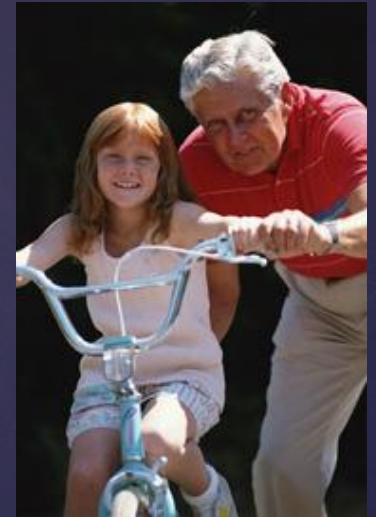
- 41% Asian
- 19% Hispanic



Special Housing Needs

15,229 Senior Citizens (age 65+)

- 24% (3,650) are renters
- 34% have a disability
- 38% live alone



5,058 Large Households (5+ members)

- 28% (1,400) are renter households
- Few affordable rentals with 3 or more bedrooms

Special Housing Needs, cont.

- 9,352 People with Disabilities: 7% of total City population
- 36% are seniors
 - 398 are non-senior permanently disabled adults
 - Increasing number of adults with developmental disabilities
 - From 1997 to 2008, the prevalence of autism increased nearly 290%

Centers for Disease Control, from Pediatrics article by Boyle et al, pub. 2011

Residents without Homes

425 homeless people counted in Sunnyvale in 2013; up from 374 in 2011

- 1/3 were in shelters, 2/3 were unsheltered
- Countywide Homeless Population:
 - 6,028 were homeless individuals
 - 1,067 were homeless people in families
 - 3,968 were living in cars or encampments

Housing Stock & Trends

56,462 Housing Units (2012)

- 49% Ownership opportunity (condo/single-family)
- 44% Multi-family rentals, inc. special needs units
- 7% Mobile homes (mostly owner-occupied)

Modest Increase in Homeownership Rate

- 47.6% in 2000
- 48.3% in 2011 (5-year avg)

Recent Housing Growth

- 892 new units since 2009
- 47% ownership, 53% rental



Current Housing Costs



Average Apt. Rents

4th Q 2012

- Studio: \$1,335
- 1 BR: \$1,773
- 2 BR: \$2,297
- 3 BR: \$2,662

*3.9% rental vacancy
rate*

Median Home Prices

1st Q 2013

- Median Single-Family: \$917,000
- Median Condo: \$618,000

Local rents making headlines

“Average rent now \$2,128 in Santa Clara County, the highest in the state”

Title of Silicon Valley Business Journal article by Nathan Donato-Weinstein, published July 19, 2013, based on RealFacts data from Q2 2013

From same article:

Average rent for a one bedroom in the city of Sunnyvale was \$1,941

Rental Affordability

	Studio	1 BR	2 BR	3 BR
Low Income Rent	\$1,286	\$1,470	\$1,654	\$1,838
Market Rents	\$1,335	\$1,773	\$2,297	\$2,662
Market rents Affordable to:	Low Income	Mod Income	Mod Income	Mod Income

Home Buyer Affordability Gap

Moderate Income (120% AMI)

Median Priced 3-BR Condominium: \$618,000

Median Priced 3-BR Single-Family Home: \$917,000

*Max. Affordable Home Price for 4-person
household earning 120% AMI: \$500,000*

MODERATE INCOME AFFORDABILITY GAP:

Condominium: \$118,000

Single-Family Home: \$417,000

Who in Sunnyvale Needs Affordable Housing?

- **Can't afford to buy here:** First-time buyers, single-income families, Gen X or Y households, most service workers, entry- to mid-level professionals, esp. in non-tech fields (moderate- and lower-income households)
- **Can't afford to rent here:** Retail, service, hospitality & health care workers, single parents, young adults, seniors, disabled adults (very low- and extremely low- income households)
- **Groups with special housing needs:**
Seniors, disabled people, homeless people, large families, single parents



REGIONAL HOUSING NEEDS ALLOCATION (“RHNA”)

- What is it?
- Sunnyvale’s RHNA
- How to meet RHNA obligations
- Adequate Sites Inventory
- Affordable Housing Programs



What is the RHNA?

Pronounced "Ree-Na"

- Based on CA Gov't Code 65580-65589.8
- Local general plans & zoning must allow "fair share" of region's future housing need
- Need divided into 4 income levels: **Very Low, Low, Moderate, Above Moderate**
- "Adequate Sites" = Zoning for:
 - Enough units affordable to each income level
 - Variety of housing types: rental, ownership, multi-family, single-family, mobile homes, second units, etc.

Sunnyvale's 2014-2022 RHNA

Income Level	Units	"Mullin Densities"
Very Low	1,640	30 units/acre
Low	906	
Moderate	932	15 units/acre
Above Moderate	1,974	No minimum density
Total	5,452	

Adequate Sites Inventory

- Staff currently updating sites inventory
- Will be available for review when Draft Housing Element released in Dec-Jan
- LUTE Update may affect build-out capacity



Affordable Housing Programs

- Below Market Rate (inclusionary) Home Buyer Program
- First Time Home Buyer Program
- Tenant-Based Rental Assistance
- Density Bonus Program
- Housing Rehabilitation Programs
- Supportive Programs (Human Services)



Current Housing Projects

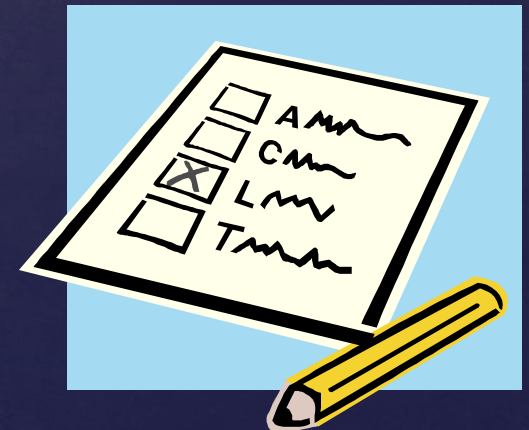
- MidPen and Charities Housing Projects:
117 New Apartments for Very Low-Extremely Low Income Tenants, including homeless/supportive housing units
- Habitat for Humanity:
Acquisition/rehab of 2 single family homes for resale to lower-income first time home buyers
- Bill Wilson Center:
Group home for young adults aging out of foster care (completed)

HOUSING ELEMENT SURVEY RESULTS

277 completed survey responses received

Of the respondents:

- 96 were renters
- 162 were home owners
- 19 were mobile home owners



Affordability Concerns

“Can I continue to afford living in Sunnyvale?”



“We want to stay in Sunnyvale but looks like we're heading down to south San Jose.”

“Institute some form of rent control.”

Unmet Needs

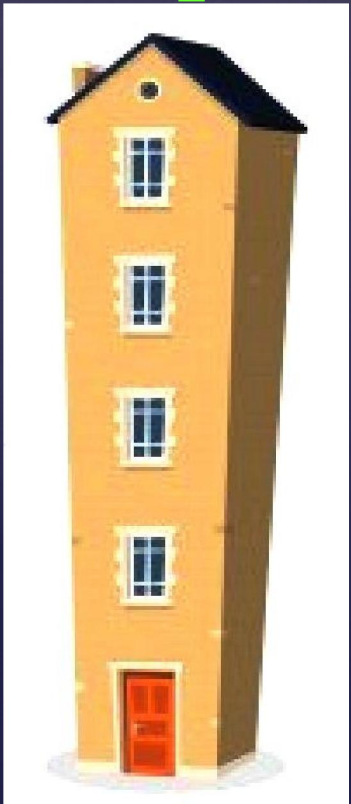
“I make too much to get low income services and too little to afford regular housing.”



“inability for young adults, single parents, and elderly to find affordable housing”

“Provide affordable housing to developmentally disabled people living on SSI”

Location and Connectivity



“Housing in Sunnyvale seems to always be built without walkability in mind. People should be able to do most of their daily needs by walking or biking”

“Living in the same city where I work”

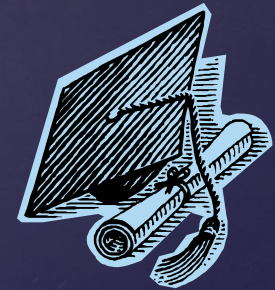
“We need to increase the density, and make areas designed on a people scale not a car scale”

Growth Concerns



“Too many apartment buildings add to the congestion and subtract from the charm of Sunnyvale.”

“Too many apartment complexes causing over crowding in our local schools”



“Balance housing with investments in open space, parks, libraries, dedicated bike lanes and trails”

Take the survey:

- Available on Survey Monkey or as pdf online:

HousingElement.inSunnyvale.com

In English and Spanish, Chinese coming soon

For more information:

Sunnyvale Housing Division

(408) 730-7250

Housing.inSunnyvale.com

Housing@sunnyvale.ca.gov

Next Steps (dates may change)

Complete Needs Assessment, Outreach Phase	July – Oct 2013
Public Hearings on Draft: Housing and Planning Commissions, Council	Jan – Apr 2014
Submit Adopted Draft Update to HCD	May 2014
HCD Review	May – June 2014
Public comment, Commission & Council Hearings on Revised Draft	Aug – Oct 2014
Adoption of Revised Draft by City Council	Nov-Dec 2014
Submit to HCD & State Approval	Jan 31, 2015

Roundtable Discussion



- Technical questions?
- Any needs overlooked?
- Development Constraints?
- Other ideas/input?
- New Trends in Housing Type, Demand?